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Canada's New Government Supports Transportation to Coastal Communities in Northern British Columbia

The Honourable Jim Flaherty, Minister of Finance, announced today that the federal government is playing its part in re-establishing a vital transportation link to coastal communities in British Columbia. The Government will remit $13 million of customs duties paid by British Columbia Ferry Services Inc. (BC Ferries) on the purchase of the *MV Northern Adventure* to replace the *MV Queen of the North*, which sank in March 2006. The passenger-vehicle ferry was imported into Canada in December 2006 to restore full service along B.C.'s north coast.

"By remitting these duties to BC Ferries, our government is recognizing the challenges faced by those living in northern B.C. following the ferry's sinking and the increased costs they would have shouldered to replace it," said Minister Flaherty. "The ferry services are essential if communities all along the northern coast are going to continue to grow and prosper."

"We all know what impact the sinking of the *Queen of the North* had on the many coastal communities that ferry served," said the Honourable Chuck Strahl, Minister of Agriculture and Agri-Food and B.C.'s Senior Regional Minister. "This announcement shows the importance our government places on ensuring that ferry fare hikes are kept to a minimum for B.C.'s coastal communities."

"The ferry service is a critical transportation link between northern B.C. and the rest of the province. By remaining an affordable and viable option for passengers, BC Ferries will continue to be one of the key engines of a vibrant northern economy," said the Honourable David Emerson, Minister of International Trade and Minister for the Pacific Gateway and the Vancouver-Whistler Olympics.

The loss of the *MV Queen of the North* left BC Ferries with only one vessel capable of providing service to these communities. As BC Ferries did not have any other suitable vessels available within its own fleet, a worldwide search determined that the *MV Northern Adventure* (formerly *MV Sonia*) was the only suitable vessel then available for use on the north coast.

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This one-time remittance of $13 million in customs duties will reduce the total cost of the *MV Northern Adventure* and help prevent any increase in fares resulting from these duties. The remission also supports the Government's long-term economic plan, *Advantage Canada*. This plan emphasizes that modern public infrastructure allowing goods and people to move freely and efficiently is essential to the nation's long-term prosperity, and commits to creating the right conditions for businesses to invest in equipment and create jobs in communities across the country.

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